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# Remarks on STEP+

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## Main objectives of STEP+ initiative

According to its promoters, the STEP+ initiative has three main objectives:

- Enhance STEP market functioning by concentrating trading on selected multilateral trading facilities
- Strengthen STEP market transparency
- Set up a STEP transaction-based benchmark index

## Envisaged STEP+ work arrangements

According to its promoters, the work on the STEP+ initiative may be organised as follows:

- Under the lead of the ACI and the Euribor EBF; and working together with the STEP Market Committee and the MMLWG
- STEP+ Steering Committee
- Three work streams: recognised trading venues; risk management and transparency; transaction-based index and standardisation
- Secretariat
- Preparation phase of around 18 months starting in January 2014, followed by implementation

## ECB feedback so far

- The objectives of the initiative are worth pursuing, in particular because revitalisation of the euro money market (including the unsecured segment) is important for monetary policy implementation
- The initiative will benefit from having a narrow set of clearly defined objectives, which can be translated into specific benefits; and from carefully crafted assumptions
- The ECB will act as an observer in the STEP+ Steering Committee and may contribute to the preparatory work in the work streams, also in cooperation with the EFMLG
- Some of the STEP+ Steering Committee meetings, including the first one, may be held at the premises of the ECB
- (In addition, the ECB collects and publishes STEP statistics; and acts as observer in the STEP Market Committee)